

Beirut on 24/3/2023

## Statement issued by Civil Society Organizations on the Violations in the Implementation of the Public Procurement Law

### **Will the Public Procurement Law also fall on deaf ears?**

Acting as watchdogs for the implementation of the Public Procurement Law, Transparency International – Lebanon (TI-LB), (RDCL), The Lebanese Association for Taxpayers Rights (ALDIC), The Lebanese Center for Policy Studies (LCPS), Fifty-Fifty, ALEF-Act for Human Rights, Lebanese Union for People with Physical Disabilities (LUPD), Kulluna Irada, SEEDS for Legal initiatives, Lebanese Business Leaders Association (RDCL) and Lebanese League for Women in Business (LLWB), consider this law one of the most important reform laws that Lebanon has committed to create and pass at the parliament in accordance with international standards. The law aims to achieve best outcomes from spending public funds, while encouraging the private sector to participate through ensuring equal opportunities, and enhancing transparency and integrity, accountability, establishing the rules of good governance, restoring the trust of the local and international communities.

Whereas the entry into force of the law was expected to put an end to long-practiced procurement processes flawed with lack of transparency and futile spending,

Whereas the conclusion of a contract for the construction of a new terminal at the Beirut International Airport took place contrary to the provisions of Lebanon's Public Procurement Law No. 244 dated 29/7/2021, and in particular Article 3, paragraph 1 thereof, which subjects to the aforementioned law all public deals, including supplies, works and services, notwithstanding the source of funding; as well as Paragraph 5, which stipulates that the provisions of the foregoing law be applied to public-private partnership contracts in all matters that do not contradict Law No. 48 regulating partnerships between the public and private sectors of 7/9/2017 and its amendments; to say nothing of the provisions of Article 114, paragraph 5, which repeals all provisions that are not in line with the Public Procurement Law, including some invoked provisions of the Fees and Airports Law to justify the abuses that occurred,

Whereas the Council of Ministers, in the absence of parliamentary oversight during the caretaking time, tends to interpret the provisions of the Public Procurement Law and its purpose and ill-use it to justify consensual deals and evade conducting tenders in public works related to the maintenance of the Grand Serail and the Ministry of Education,

Based on the foregoing, the signatories monitor the serious abuses taking place in the application of the Public Procurement Law with great concern, as they open the door to corruption and nepotism, and allow illegal use of public funds.

The signatories urge the Lebanese Government to apply the provisions of the Public Procurement Law in all its articles and to set priorities for public spending in the current critical public finance situation, according to a clear program aimed at restoring order and work in state institutions by addressing the employees' strike, restructuring the administration, and holding municipal election on time.

We also call on the Head of the Public Procurement Authority, Dr. Jean Ellich, to initiate prompt action with all the competent authorities to take strict deterrent measures against this practice, as well as to apply the laws that prohibit this type of illegal behavior, based on the broad prerogatives entrusted to him in all stages of the public procurement process. These powers start with informing the violating authorities requiring them to reconsider their decision and reverse it, leading to the appeal before the administrative court, resort to the criminal courts, the court of Audit, as well as Central Inspection.

We stress that competitive procedures should be the general rule and normative method for conducting procurement operations as means of enhancing efficiency, integrity, transparency, accountability and fighting corruption. Furthermore, adopting strict controls limiting consensual agreements and working with coherent, stable, clear and simple institutional, legal and regulatory frameworks that have been long overdue and have recently entered into force, would ensure that potential competitors of all sizes have equal procurement opportunities.

Finally, we urge citizens, civil society organizations, and the most representative entities in the Lebanese society to promote awareness about the importance of this law and the necessity of its strict application in the purpose of promoting justice, transparency, and equality in public procurement processes. We also call upon them to intervene and actively participate in matters of a national nature that affect their rights and waste public financial resources.